



OFFICE OF THE
ARIZONA STATE TREASURER

HON. DEAN MARTIN
TREASURER



NEWS RELEASE

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TREASURER DEAN MARTIN FORECASTS HISTORIC INCREASE IN FUNDS FOR TEACHERS AND STUDENTS ***INVESTMENTS DOUBLE MONEY FROM EDUCATION ENDOWMENT***

(STATE CAPITOL, PHOENIX) –Treasurer Dean Martin announced today that improved investment performance in the education endowment fund is likely to DOUBLE distributions next fiscal year.

These new funds will be available to schools for teacher pay raises, class size reduction, AIMS tutoring, teacher training and insurance, and dropout prevention programs.

“I am excited to announce that due to our investment performance, we are likely to more than DOUBLE the funds distributed for education this year,” Treasurer Dean Martin said. ***“This landmark increase means good news for teachers and students who are the direct recipients of our investments.”***

Proceeds from the investment of the endowment directly increase education funding to the classroom site fund. These revenues are distributed directly to school districts to decide how to expend. These new funds will supplement existing school revenues since endowment distributions are not subject to legislative appropriation.

“Depending on where the markets finally close on June 29th, we are forecasting distributions between \$65 million to \$70 million for our school children and teachers,” Treasurer Dean Martin continued. These distributions are up significantly from FY 06-07 distributions of only \$32 million, under the previous Treasurer’s administration.

These increases are primarily the result of improved investment performance and not due to recent record lands sales. The Endowment has not yet received (and therefore cannot invest) the majority of these recent land sales. More than \$1 billion dollars from these land sales will be deposited over the next seven years. Treasurer Dean Martin continued, ***“The future for the endowment looks promising. We are still eagerly waiting for more than \$1 billion in proceeds from land sales to be deposited. Once we receive these monies we will immediately invest them, further growing the endowment.”***

“Teachers and parents should engage their local administration and school boards this summer on how to best use classroom site fund monies,” said Treasurer Martin.

State Trust Lands and the Permanent Endowment Fund were established by Congress when Arizona became a state and are governed by the Arizona Constitution. Proceeds from state land sales are deposited into the thirteen different endowment funds; earnings from investments are distributed by the State Treasurer to its beneficiaries. The Common School Fund for education is the largest endowment at over \$2 billion in assets.

As a statewide constitutional officer, Treasurer Martin serves as the state’s Chief Financial Officer for the State of Arizona, charged with the prudent custody and management of taxpayer monies and oversight of more than \$12 billion in assets under management.